



*State of New Mexico*  
*Commissioner of Public Lands*

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

PATRICK H. LYONS  
COMMISSIONER

COMMISSIONER'S OFFICE  
Phone (505) 827-5760  
Fax (505) 827-5766  
www.nmstatelands.org

May 4, 2006

Yates Petroleum Corporation  
105 South 4<sup>th</sup> Street  
Artesia, New Mexico 88210-2118

Attn: Ms. Bonnie Floore

Re: 2006 Plan of Development  
Kris State Unit  
Lea County, New Mexico

Dear Ms. Floore:

The Commissioner of Public Lands has, of this date, approved the referenced Plan of Development. Our approval is subject to like approval by all other appropriate agencies. The possibility of drainage by wells outside the unit area, and the need for further development of the unit may exist; therefore, we may contact you at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

BY:  
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

PL/JB/cpm  
xc: Reader File

**-State Land Office Beneficiaries -**

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University



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April 12, 2005

Yates Petroleum Corporation  
105 South 4<sup>th</sup> Street  
Artesia, New Mexico 88210-2118

Attn: Mr. Kevin Klein

Re: 2005 Plan of Development  
Kris State Unit  
Lea County, New Mexico

Dear Mr. Klein:

The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

A handwritten signature in cursive script, appearing to read "Jami Bailey".

BY:  
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

PL/JB/cpm  
xc: Reader File

OCD

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January 26, 2004

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210

Attn: Mr. Robert Bullock

Re: Commercial Well Determination  
Kris State Unit Well No. 1  
NW/4NW/4 Sec. 28-11S-34E  
Lea County, New Mexico

Dear Mr. Bullock:

We received your letter of January 15, 2004 together with data that supports your commercial determination regarding the Kris State Unit Well No. 1.

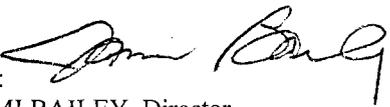
The Commissioner of Public Lands concurs with Yates Petroleum Corporation's determination that the above-mentioned well is a commercial well in the Morrow formation.

Please submit your 2004 Plan of Development for approval.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

BY:   
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744  
PL/JB/pm

pc: Reader File, OCD-Attention: Mr. Roy Johnson

**RECEIVED**

JAN 30 2004

Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

PATRICK H. LYONS  
COMMISSIONER

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September 3, 2003

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210

Attention: Mr. Robert Bullock

Re: Preliminary Approval  
Proposed Kris State Exploratory Unit  
Lea County, New Mexico

Dear Mr. Bullock:

This office has received the unexecuted copy of the unit agreement which you have submitted for the proposed Kris State Exploratory Unit area, Lea County, New Mexico. This agreement meets the general requirements of the Commissioner of Public Lands, who has this date, granted you preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short-term leases until final approval and an effective date have been given.

When submitting your agreement for final approval, please submit the following:

1. Application for final approval by the Commissioner setting forth the tracts that have been committed and the tracts that have not been committed.
2. Pursuant to Rule 19.2.100.51, applications for approval shall contain a statement of facts showing:
  - a. That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy.
  - b. That under the proposed unit operation, the State of New Mexico will receive its fair share of the recoverable oil and gas in place under its lands in the proposed unit area.
  - c. That each beneficiary institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the unit area.
  - d. That such unit agreement is in other respects for the best interest of the trust.

Yates Petroleum Corporation  
September 3, 2003  
Page 2

3. All ratifications from the Lessees of Record and Working Interest Owners. All signatures should be acknowledged by a notary and one set must contain original signatures.
4. Order of the New Mexico Oil Conservation Division. Our approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division.
5. Please submit two copies of the Unit Agreement.
6. A copy of the Unit Operating Agreement (if applicable).
7. Copies of all the well records for the initial unit well.
8. Your filing fee in the amount of \$150.00 has been received.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

BY:   
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

PL/JB/pm

cc: ~~OCD-Santa Fe, Attention: Mr. Roy Johnson~~  
William F. Carr



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January 14, 2005

Yates Petroleum Corporation  
105 South 4<sup>th</sup> Street  
Artesia, New Mexico 88210-2118

Attn: Ms. Bonnie Floore

Re: 2004 Plan of Development  
Kris State Unit  
Lea County, New Mexico

RECEIVED

DEC 20 2005

Oil Conservation Division  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505

Dear Ms. Floore:

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